Alberta Women's Bureau
INFORMATION

ESTABLISHING A GOOD CREDIT RECORD

June 1976
Revised April 1979

1402 Centennial Building, 10015-103 Avenue, Edmonton, Alberta T5J-OH1
Telephone: 403/427-2470

Alberta
WOMEN'S BUREAU

ESTABLISHING A GOOD CREDIT RECORD

In order to borrow money, you generally will be required to possess a good credit record showing that you are a financially responsible person, both able to pay your debts and willing to do so voluntarily. No business can be expected to grant credit to anyone who has no income and/or a poor record of repayment of debts. A record of good credit must be earned and, once established, should be guarded carefully.

Credit bureaus do not keep credit ratings. Their files contain only factual information on your credit history (promptness of payment, lawsuits, etc.), and the credit-granting institutions make their own assessment of whether or not to grant credit. You may examine your credit file at any time during a credit bureau's normal business hours, on showing proper identification. Credit information is not given by telephone except to those credit-granting institutions having a contract with the Associated Credit Bureaus of Canada and furnishing a special code number.

Despite the fact that a woman can be refused loans, she may be held responsible to repay her husband's debts if she has co-signed for them. Similarly, a husband may be held responsible for his wife's debts if he has co-signed for them. A married woman who has no income of her own may be required to have her husband's signature when applying for credit.

The following guidelines were prepared jointly, in March 1976, by Alberta Consumer and Corporate Affairs and credit-granting institutions in the province:

- A woman shall be given the same consideration as a man in similar economic circumstances when applying for credit.

- Credit shall be extended to a credit-worthy married woman in her own name.

- The same standards will apply to mortgage applications, regardless of which spouse is the main family supporter.

- A husband and wife will not be required to provide information about family planning when applying for credit or mortgages.

- Alimony and child support shall be considered a source of income.

.../2

- On request, a credit reporting agency shall keep a separate file on the husband and wife.

- A newly separated, divorced or widowed woman shall not be refused credit solely because of a change in her marital status.

If you meet the criteria but are still having difficulty acquiring credit -- if you feel you are being discriminated against simply because you are a woman -- complain to:

Alberta Human Rights Commission
501 Edwards Professional Bldg.
10053 - 111 Street
Edmonton, Alberta
T5K 2H8

Telephone: 427-7661

Here are some suggestions for building a reputation of responsibility and establishing a good credit record:

(a) Students

Open a bank account and make regular deposits. Take a student loan and pay it back promptly.

(b) Single Women

If you have a regular income from employment, it is unlikely you will encounter any problems opening a credit account.

Open a charge account at a department store or dress shop, make regular purchases, and pay your bills promptly.

(c) Married Women

It may be beneficial to establish credit in your own name. (Perhaps at some point your status may change, or you may just want to buy a surprise gift).

If you are employed, you should have little difficulty obtaining credit in your own name, without your husband's signature. Open a charge account, make regular purchases, and make your payments on time.

If you are not employed, deposit some of your housekeeping money in the bank each month. Introduce yourself to the bank manager and seek his advice regarding savings investment plans.

With respect to mortgages, the National Housing Loan Regulations were amended in 1972 and now provide that either the husband or wife can be considered to be the home owner or purchaser and that 100% of the spouse's income can be included with the applicant's income for the purpose of qualifying for an N.H.A. loan.

Take life insurance on loans.

If you find you are having problems handling your money efficiently, free counselling is available through the Alberta government:

Family Finance Counselling Service
Consumer Relations Division
Alberta Consumer and Corporate Affairs

Located in: Calgary
Edmonton
Fort McMurray
Lethbridge
Peace River
Red Deer

If bankruptcy is the only solution to a financial problem, the federal Department of Consumer and Corporate Affairs offers assistance to debtors in the form of a program of referrals to trustees.

Prepared in cooperation with the
Alberta Human Rights Commission